Nutfield Church (C of E) Primary School

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Southwark Diocesan Board of Education
Supporting Christian Education

To:	Finance Working Party Mr Michael Hill (Chair of the Finance Working Party), Mr Sam Nicholls, Miss Imogen Woods
Copies to:	Katharine Brooks, Acting Deputy Head
From:	Daniel Walker-Cheetham, School Business Manager
Date:	19th April 2023

FINAL BUDGET PLAN FOR THE FINANCIAL YEAR 2023/24 – 1ST APRIL 2023 TO 31ST MARCH 2024 AND BUDGET PLAN FORECASTS FOR 2024/25 AND 2025/26

INTRODUCTION

Surrey County Council (SCC) require the final budget for 2023/24 and forecasts for 2024/25 and 2025/26 to be submitted no later than the 1st May 2023.

SCC have stated that approval of the budget plan for 2023/24 can be delegated to a Finance Committee, but they advise that it is tabled at the Full Governing Body (FGB) meeting and signed by the Chair of Governors. The meeting must be minuted, as evidence of the approval, and a signed copy of the budget must be retained in school. This procedure is included in the school's Financial Management Policy.

Schools should produce a plan that balances in all three years and shows a surplus at the end of the first year (March 2024). However, where schools need to make cost savings to balance years two and/or three, and are still identifying the actions they will take, this will be accepted as a 'work in progress'.

The budget plan shows a surplus at the end of the 2023/24 financial year, however, there is an in-year deficit of £57,598 which means a reduction in the revenue balances available to carry forward. The in-year deficit was reduced slightly following the ending of a part time, fixed term, teachers' contract at the end of the 2022/23 academic year. The budget is also supported by a proposed transfer of £20,000 from the Ark into the revenue budget. The forecasts for 2024/25 and 2025/26 show substantial in-year deficits, the forecasts are based on current staffing (plus allowance for performance related pay increases), less the part time fixed term teacher.

I have proposed another transfer from the Ark into the revenue budget in 2024/25 of £50,000 and a transfer of £50,000 in 2025/26. Despite this, the forecasts still show substantial in-year deficits and the Ark will not be in a position to support the revenue budget beyond 2025/26 nor should it be expected to.

Schools must make every effort to balance their budget within the resources they have available to them, as any deficit will require repayment; the local authority has no power to write off the deficit balance of any school. Where schools need to achieve cost reductions to balance years 2 and 3 of the budget plan, Governors should be pro-active in taking necessary action now to reduce the impact on educational outcomes in the future.

I attach the excel spreadsheet Budget Plan 2023/24 which includes the forecasts for 2024/25 and 2025/26. I also attach the information from the Surrey Finance Manual – Section A Final Budget Preparation, Annexe A - Preparation notes and guidance and Section C Sources of Funding.

FINAL BUDGET PLAN FOR THE FINANCIAL YEAR 1ST APRIL 2023 TO 31ST MARCH 2024

Budget Plan Year 1 (2023/24) Tab
All schools are expected to provide reasonable estimates of all elements of planned income and expenditure within their final budget plan for 2023/24. Schools should incorporate the recommendations and assumptions on price increases detailed in the 'budget preparation notes and guidance' document.

B01 REVENUE BALANCES B/F FROM 2022/23 £130,304

As per the latest forecast of outturn in the March 2023 FMR there is an uncommitted revenue balance of £95,657.18.

I have proposed a transfer of brought forward funds from the Ark to the revenue budget totalling £20,000 to support the revenue budget in the 2023/24 financial year. This is subject to SCC approval.

Committed	
Sports Premium (Unspent Grant)	£ 8,681.24
Camino Music (Unspent Donation)	£ 1,294.13
LAC (SCC)	£ 1,195.71
LAC (West Sussex)	£ 314.10
Smiths Charity (Unspent Grant)	£ 1,485.00
PTFA – Enrichment (Unspent Donation)	£ 1,661.84
PTFA – Trinity Farm (Unspent Donation)	£ 15.00
Uncommitted	£95,657.18
Tfr from Community Focused (Ark) B/Fwd	£20,000.00
	£130,304.20

PUPIL FOCUSED REVENUE FUNDING AND INCOME 2023/24 £1,075,088

Formula funding allocations to Surrey schools for 2023/24 are based on the National Funding Formula (NFF) less a transfer of 1% of NFF allocations to the high needs block, in line with the safety valve agreement with the DfE in March 2022. As a result of the transfer, in 2023/24 the values of most Surrey formula factors are around 1.5% lower than the NFF values.

The Delegated Funding, as shown on the Notification of Initial Budget Share, is based on the October 2022 School Census pupil numbers which was 204.

The supplementary grant funding allocated to mainstream schools in 2022/23 has been assimilated into the mainstream national funding formula in 2023/24.

To verify 2023/24 funding and estimate funding for 2024/25 and beyond, I used the latest SCC Verification and Forecasting Tool.

In 2023/24 schools will receive an additional grant, Mainstream Schools Additional Grant (MSAG), which distributes the mainstream schools' share of the additional schools funding for 2023/24 announced in the Autumn Statement. This is distributed to schools using a formula set by the DfE, and provides an average 3.4% increase in average funding per pupil for most schools, over and above the increase in formula funding. SCC has advised to take the MSAG figure as an estimate only as the actual allocation will be provided by the DfE and different data may be used to calculate the allocation.

I01 Funds Delegated by the LA before de-delegation **£962,945**

Funds delegated by SCC is based on 204 pupils as at the October 2022 census.

Funding received as follows:

Formula Factor	Number of Pupils / Units	Funding £
Per pupil basic entitlement (Year R – 6)	204	721,450.41
Pupils eligible for free school meals (FSM)	19	9,504.39
"Ever 6 FSM" pupils eligible for free school meals at some time in the last six years	22	16,416
Pupils who are in IDACI band F	11	2,647
Pupils who are in IDACI band E	62	18,162
Funding for high incidence SEN based on pupils in years 1-6 no reaching a "good level of development"	30.17751479	36,324
Funding for English as an Additional Language (EAL) based on number of EAL3 pupils	3.517241379	2,126
Flat rate/lump sump	-	136,241
Rates	-	4,774
	Total	**947,646**

Estimated MSAG allocation:

	Number	Funding Rate £	Allocation £
Lump sum	-	4,771.129	4,771.129
Per pupil	204	125.89	25,682
Per Ever 6 FSM pupil	22	110.02	2,420
		Total	**32,873**

Less: De-delegation and Central Services Levy **Minus £17,574**

De-delegation (-£7,123):

Funding for a number of services is "de-delegated" from maintained schools. This means that funding is included in the formula budget share and in the funding rates shown, but is then subtracted from schools' budgets before they receive them. The services are then funded centrally.

"De-delegation" from maintained primary schools requires annual approval from the representatives of maintained primary schools on the Schools Forum.

The services de-delegated from maintained primary schools' budgets in 2023/24 are:

- Behaviour support services
- Licences and subscriptions
- Special staff costs (union reps)
- Special staff costs (other public duties)
- Free school meals eligibility checking service
- Underperforming ethnic minorities: REMA Support for travellers

Central Services Levy (-£10,451):

SCC no longer receives the General Education Services Grant (ESG) from the Government which previously funded a number of the SCC's statutory responsibilities in respect of maintained schools (finance, HR policy, teachers' pensions admin, health and safety etc.). This has meant a further deduction from school budgets since September 2017.

In 2023/24 the amount to be deducted for the Central Services Levy to cover statutory responsibilities no longer funded by the grant paid to SCC is £10,451, which is £51.23 per pupil.

I03 High Needs Top-Up Funding – Individual Pupil Support Budget (IPSB) £6,122

In 2023/24, once again, schools will be required to fund the first £6,000 of additional support per high need pupil from their main budgets (12.3747 points). Funding for additional support costs above £6,000 will still be provided separately, at £484.86 per point. The £6,000 threshold is a DFE requirement.

We have one child with an Education, Health and Care Plan (EHCP), with 25 points. The child receives 1:1 support of 25 hours per week which is charged to education support staff.

I05 Pupil Premium £37,185

Pupil premium allocations for 2023/24 are based on numbers in the October 2022 census. In October 2022 we had 19 Free School Meal (FSM) children and 3 post Looked After Children (LAC). We also have 1 LAC child in the care of Surrey and another in the care of West Sussex.

In 2023/24 the DfE's Pupil Premium rates have increased by 5% over 2022/23. Pupil Premium allocations are not stated in the budget notification because the allocations have not yet been published by DfE. I have estimated our Pupil Premium allocation using the rates below:

- £1,455 per year for each primary-aged pupil who is eligible for FSM or has been eligible in the past 6 years (Ever 6).
- £2,530 per year for each pupil, primary and secondary aged, who has been adopted from care or has left care.
- £335 for each pupil in year groups Reception to Year 11 who meets one of the following criteria:
  - One of their parents is serving in the regular armed forces
  - Ever 6 service child FTE
  - The pupil receives a pension under the Armed Forces Compensation Scheme (AFCS) and the War Pensions Scheme (WPS)

LAC funding is no longer a permitted factor within formula funding after the 31st March 2023. Pupil premium funding is allocated by the Virtual School per child looked after by SCC, but this will be allocated termly during the year. Pupil premium funding for LAC is the responsibility of the local authority with the parental responsibility. Normally schools will receive funding for non-Surrey looked after children directly from the authority with parental responsibility.

Estimate of funding for one LAC under the care of Surrey £1,600. Estimate of funding for one LAC under the care of West Sussex £350.

I08a Income from letting premises: £0

I have assumed that we will continue with the policy of no lettings.

I08b Income from facilities and services: £3,348

Under the Service Occupancy Agreement we make a monthly charge of 7% of salary for the bungalow.
On the 17th March 2023 the base rate increased to 0.75%. Under the HSBC Umbrella Bank Account we receive bank interest on the school's funds at 0.5% below base rate. Currently the base rate it 4% (as at 21st March 2023) and it is predicted to star around this figure until the end of 2023. Therefore, I have assumed a small amount of bank interest.

I10 Receipts from Supply Techer insurance claims: £14,780

Income received from the staff insurance scheme in respect of teachers. The receipt we are expecting in the 2023/24 financial year relates to Anna Benjamin's maternity claim.

I12 Income from contributions to visits and activities: £1,500

I have allowed a small amount for parent contributions to the School Fund towards wellbeing, and animal welfare, which can be transferred to the delegated budget. The £1,500 is included in the E19 Learning Resources expenditure.

I13 Donations/voluntary funds: **£3,000**

Includes a small amount for the usual annual charitable donation of £1,000 from Smiths Charity and continuing contributions from the PTFA. The PTFA contribute £300 per term for Trinity Farm and £100 per year group for enrichment. I have also included an additional £400 from the PTFA in anticipation of extra funding within the year. The £3,000 has been included in the E19 Learning Resources expenditure.

I18C Coronavirus (COVID-19) Recovery Premium Grant **£3,480**

The government has confirmed that recovery premium will be payable in academic year 2023/2024 as well as 2022/23.

Recovery premium allocations for mainstream schools will be based on pupil premium eligibility. The recovery premium grant per-pupil rate for the 2022/23 academic year is £145.

Per pupil rates for the 2023/24 academic year are currently unknown. For budget purposes I used the 2022/23 rates. It was advised that no funding should be assumed beyond the 2023/24 academic year.

This grant will be put towards the National Tutoring Programme.

I18C School Led Tutoring Grant **£1,830**

All maintained primary and secondary schools with pupils in years 1 to 11 who are eligible for pupil premium will receive a school led tutoring grant. We will be spending this on the National Tutoring Programme.

In the academic year 2023/24 schools will be provided with a grant to cover 25% of the cost. Schools will need to factor in increasing contributions to school-led tutoring from other budget sources. From the £18 average hourly cost the DfE will provide a maximum of £4.50 per hour for tutoring and schools are expected to contribute £13.50 from other budgets such as Recovery Premium or Pupil Premium.

For budget purposes it was advised that no funding was assumed beyond the 2023/24 academic year. Any funding that has not been spent at the end of the academic year will be recovered by DfE.

I18D Primary PE Grant **£7,412**

In June 2022, the DfE confirmed that the primary PE grant would continue for the 2022/23 academic year. However, the future of this grant for the academic year commencing September 2023 is currently unknown and so I have omitted it from the 2023/24 budget and forecasts.

There is a second payment due relating to the 2022/23 academic year which is likely to be paid in March 2023 so I have included this amount in the budget.

The £7,412 has been included in the E19 Learning Resources expenditure.

I18D Universal Infant Free School Meals (UIFSM) Grant: **£33,484**

This grant will include the final allocation for 2022/23 academic year. Its future beyond the summer term is unknown. I have include a provisional allocation for 2023/24, assuming the same funding rates as 2022/23:

Each meal taken by an eligible pupil attracts £2.41. An allocation assumes that pupils will take 190 school meals over an academic year, providing £457.90 per eligible pupil.

The cost of a KS2 pupil free school meal is increasing in April 2023 from £2.60 to £2.63.

I have used the Strictly Education 4S UIFSM Funding Estimator to estimate the grant based on the final allocation for 2022/23, plus the provisional allocation for 2023/24.

(See E25 Catering Supplies the central expenditure of £45,675 includes estimate for UIFSM taken, plus KS2 FSM charged at £2.63, plus a charge for payment to Twelve15 representing the former lunch grant and meals grant).

PUPIL FOCUSED REVENUE EXPENDITURE £1,132,686

This is around £40,000 higher than the forecast of out-turn for revenue expenditure for the current financial year. Mainly due to increases in staffing and the current inflation rates proposed on gas, electricity and other supplies.

STAFFING (£895,009)

Staffing is 84.8% of funding which is relatively high. Schools have been asked to budget as follows:

E01 Teaching Staff (58.2% of funding): £613,942

The Secretary of State for Education has written to the STRB requesting recommendations for the pay award in 2023/24 and has now provided evidence on how this should be applied to meet the government's ambition. Their proposal recommends an average 3.5% settlement, ranging from 3% for "experienced teachers" to 7.1% for newly qualified teachers.

However, given the current national context, as well as experience from last year, SCC's recommendation is that that schools continue to use Surrey's corporate rate of inflation for salary expenditure. It was recommended that a 5.0% cost of living increase should be incorporated from September 2023 and that no further cost of living increases should be included for Years 2 and 3. Performance related pay progression is included for all three years as appropriate.

The April 2022 increase of 1.25% to the rate of employer national insurance contributions, originally implemented to fund the Health and Social Care Levy, no longer applies.

The teacher employer superannuation rate rose to 23.68% in September 2019. SCC have advised that we should continue to budget at that rate. The valuation process runs until late 2023 and any changes as a result will come into effect on 1st April 2024.

The budget includes all current teaching staff, except for one part time teacher whose fixed term contract ends at the end of the 2022/23 academic year. This position will be covered by Katharine Brooks who has decided to relinquish her SLT responsibilities and has requested a drop in pay down to M6. Overall, this was an additional saving of £26,329 in 2023/24.

We have been able to maintain the model of an out of class Deputy Head Teacher, providing cover as and when required, which negates our need for supply teachers.

E03 Education Support Staff (11.7% of funding): £123,189

At the time of writing the Surrey Pay settlement for April 2023 has not been confirmed. It was advised that schools should use the percentage increases outlined in Surrey's "offer" for budget planning purposes – see table below:

Grade	Increase
PS1/2	7.8%
PS3	7.5%
PS4	6.5%
PS5	5.5%
PS6	5%
PS7-12 inclusive	4.75%
PS13 and above	4.5%

The offer also deletes the minimum point in grades PS3 – PS14 to create a gap between grades to make promotion opportunities more attractive, and increases apprentices' pay from 80% of PS1/2 to the full amount of that grade. Therefore, any staff currently on point 1 of a grade, who would have moved up to point 2 of that grade in April 2023, will automatically move up to point 3 of that grade.

Incremental pay progression is included, from April 2023, for all three years where appropriate.

The April 2022 increase of 1.25% to the rate of employer national insurance contributions, originally implemented to fund the Health and Social Care Levy, no longer applies.

Surrey Pay employer superannuation is currently 25.2%. The triennial review of the employer's pension rate for Surrey schools is now complete and the new contribution rate of 23% will be effective from 1st April 2023.

The budget allows for current staffing levels of existing Teaching Assistants (TA), Special Needs Teaching Assistants (SNA) providing 1:1 support for a child with an EHCP. The budget also factors in some additional hours for TAs and SNAs.

In addition, the budget allows for a morning only TA who will have an outdoor learning focus and support Trinity Farm.

E04 Premises Staff,
E05 Admin and Clerical Staff,
E07 Costs of Other Staff - Midday Meals Supervisors (MDMS) (13.6% of funding): £143,733
As per the E03 Education Support Staff section above, details of the Surrey pay award for 2023/24 are currently unknown. For budget purposes, the same percentage increases outlined in Surrey's "offer" (shown above) was used.

The budget allows for current staffing levels and factors in some additional hours for the Premises Manager and MDMS.

In addition, the budget allows for two new MDMS to support the existing team over lunchtimes.

E08 Indirect Employee Expenses: **£1,065**
Includes duty meals (staff Christmas lunch), staff travel (not for training), DBS checks for staff and the charge for an external advisor for the Headteacher's appraisal.

E09 Development and Training: **£4,565**
Courses and training for staff to enable and support them towards achievement of our School Development Plan.

Includes an amount to cover the whole school safeguarding training booked in with Ian McGraw on the June 2023 INSET day as well as some funds for Paediatric First Aid to train a new member of staff following Vince Eddington's departure and the renewal of Sarah Kendall's certificate which expires in June 2023.

The budget also includes health and safety courses for Fred (Premises Manager) and Daniel (Health and Safety Coordinator & Fire Officer) to attend in areas such as Asbestos Awareness, Legionella Awareness and Fire Marshall training.

In September 2009 it became law for every SENCO in a mainstream school to gain the Master's-level National Award for Special Educational Needs Co-ordinators. Therefore, a large proportion of the development and training budget has been set aside for this.

E10 Supply Teacher insurance: **£8,515**
The Surrey Scheme contribution rates for 2023/24 are not currently known – for budgeting purposes, I have anticipated a 7.3% increase on the 2022/23 rates.

<u>PREMISES (£70,935)</u>
The current corporate rate of inflation is 7.3% (February 2023) for non-salary items. This rate has been used for all expenditure items where exact costs aren't known to the school.

E12 to E18 Premises: £70,935
Includes inspections through Surrey Services and outside providers including asbestos, legionella, boilers, fire alarm, firefighting equipment, emergency lights, waste disposal, intruder alarm service and contract, caretaking supplies, cleaning contracts, and a small amount for redecoration and tree works based on the Tree Surveys. Some of the recommended tree works from 2022/23 will be undertaken in the 2023/24 financial year and this has been allowed for in the budget.

Note: The legionella awareness review is every 2 years (next review in August 2024) and 5 Year Fixed Electrical Testing (next review in December 2024). These will be bought back from SCC in 2024/25.

We buy into the SCC energy contract and are in a fixed term contract from April 2022 until March 2023 and have benefitted from prices lower than the price cap set under the Energy Bill Relief Scheme for non-domestic users for the current winter.
Overall wholesale energy prices have fallen since schools' 2023/24 draft budgets were produced. Wholesale energy markets continue to be exceptionally volatile and, with purchasing not yet complete, prices could move significantly between now and the end of March. The following percentage increase has been applied to the 2022/23 gas and electricity expenditure and 2024/25 and 2025/26 forecasts:

Gas – 76% increase
Electricity – 52% increase

A small amount of premises expenditure is offset by a monthly premises charge from the Ark. This is currently charged at £4.40 per morning and £6.60 per afternoon when the Ark is in session. I have allowed for an increase of 50p to both morning and afternoon sessions making the morning and afternoon charges £5.00 and £7.00 respectively from 1st April 2023.

We are lucky to have Fred as our full time resident Premises Manager as he carries out many small DIY type jobs and most of the decorating meaning we only have to pay for the paint and materials which helps keep maintenance costs down.

SUPPLIES & SERVICES (£166,742)
The current corporate rate of inflation is 7.3% (February 2023) for non-salary items. This rate has been used for all expenditure items where exact costs aren't known to the school.

E19 Learning Resources (not ICT equipment): £49,509
Includes money for resources to support our School Development Plan.

Sports and PE expenditure paid for from the Primary Sports Premium Grant is included (b/f of £4,105.20 plus £7,412 grant to August 2023 only), and the other b/f amounts totalling £5,399.67, which leaves £34,862 on other non ICT learning resources for the whole school.

I have assumed that the 10 day intensive swimming lessons for Year 3 will continue and that the school will pay for this (parents are asked for voluntary contributions to pay for the coach to transport the children to and from the pool every day, paid from School Fund).

The budgeted revenue income of £4,500 (see I12 Income from Contributions to visits/activities and I13 Donations) is included.

The budget keeps expenditure as low as realistically possible to allow for continuation of the staffing structure.

E20 ICT Learning Resources: **£14,075**
Allows for the subscription of new GFast broadband as our current contract ends in December 2023. GFast uses existing infrastructure, such as the copper wires, but a device is fitted into the fibre cabinet to alter the speed frequencies. The change increase the speed through the copper cable which results in a more reliable broadband with ultrafast speeds.

This also allows for the annual subscriptions to Discovery Espresso, Tapestry for Early Years, MyMaths, Times Tables Rocks Stars, Purple Mash, TestBase, PhonicsPlay and the MS OVS Agreement which is an education solution for schools which ensures our Microsoft products are always up to date.

E22 Administrative supplies: £18,977
As well as general admin supplies this includes the annual subscriptions to Tucasi for the dinner money reporting, on-line payment system, telephone line rental and call charges, photocopier costs and Parentmail subscription for online forms and Parents Evening Manager.

The budget for 2023/24 includes the purchase of ten new 12 seater mobile folding dining tables for the Hall. The tables are £9,000 so make up a large proportion of the budget.

E23 Other Insurance Premiums: **£0**

We have moved over to the DfE Risk Protection Arrangement (RPA) which includes the buildings and contents insurances previously purchased through the LA. This will also replace the block building insurance held with Aston Lark.

The FWP agreed that Governors would pay the insurance premium for the SDBE Block Governors' Buildings and contents insurance so this has not been allowed for in the budget. Since moving over to the RPA the cost is significantly cheaper.

E25 Catering Supplies **£46,035**

Includes all catering supplies and provisions, the costs for providing meals for all FSM eligible pupils and the costs of providing meals under the UIFSM scheme.

This also includes the Strictly Education 4S buy back for the catering SLA and the cost of the annual service and de-greasing of the of the school kitchen ventilation system which is payable locally by the school.

E26 Agency Supply Teaching **£5,602**

This expenditure relates to the National Tutoring Programme as part of the school's response to Covid recovery.

A small allowance for supply in the event of teaching staff sickness has been included. However, it is unlikely to be used on the basis that we have non-teaching Deputy Headteacher meaning we should be able to cover absences from within.

E27 Bt in Professional Services - Curriculum: **£7,756**

I have included two thirds of the annual cost for our IT support provider, JSPC, to provide maintenance and support for our ICT Curriculum and Admin networks (with the remaining third charged to E28 Bt In Prof Services – Other). I addition, this includes half of the cost of daily remote back-ups for the network (remaining half charged to E28 Bt in Prof Services – Other).

This includes one half of the costs for Tony from Frootes to maintain the school website (the other half is charged to E28 Bt in Professional Services – Other).

With the tight budget, I have only be able to allocate a small amount for extra services such as workshops.

E28 Bt in Professional Services - Other: **£24,788**

Assumes we continue with the same Strictly Education 4S Service Level Agreements, and buy-back into SCC Legal Services, Area Schools Support, Payroll Services and Twelve15 Gym Equipment inspection. This also assumes we continue paying for Schools Alliance for Excellence (SAfE) and using CPOMS the schools child protection online management system.

A third of the annual JSPC charge for our ICT support SLA and half of Frootes charges for the maintenance of our school website (See E27 Bt in Prof Services: Curriculum).

The SDBE Annual Service Agreement is based on pupil numbers as at the January Census; the costing is based on 101 to 199 pupils and 200 to 315 pupils. Assuming pupil numbers as at January 2023 are above 200 we will remain in the higher rate band.

TOTAL ESTIMATED REVENUE BALANCE AT YEAR END **£72,707**

ESTIMATED IN-YEAR DEFICIT **£57,598**

COMMUNITY FOCUSED REVENUE (ARK) FINAL BUDGET PLAN 2022/23

Schools are able to use their delegated budgets for community focused activities. We must still comply with the requirements of the Surrey Scheme for Financing Schools to include separate accounting for community focused income and expenditure to also ensure compliance with the Consistent Financial Reporting (CFR) requirements of the Department for Education.

The use of delegated funds for community use should not interfere with a school's primary focus of raising standards. However, any deficit on community focused activities has to be met from the school's delegated budget. Conversely, we are also able to use surpluses from community focused activities to support core educational activities in the school. Surpluses on community focused activities may be transferred to support the school budget, but only with the approval of the local authority.

Ark continues to be popular with parents; our continuing problem is the recruitment of staff to satisfy the demand for places. As long as the demand continues and we can recruit/retain staff we should expect healthy in-year surpluses from the 2023/24 financial year onwards.

B02 COMMUNITY FOCUSED REVENUE BALANCES BROUGHT FORWARD FROM 2022/23 £79,385

Given the increase to Ark fees from September 2022 and the reduced staffing numbers there is a forecasted brought forward balance, as per the Ark FMR to end March 2023, of around £99,385.

I have proposed a transfer of brought forward funds from the Ark to the revenue budget totalling £20,000 to support the revenue budget in the 2023/24 financial year. This will be deducted from the Ark brought forward amount.

Brought forward from 2022/23	£99,385
Tfr from Community Focused (Ark) B/Fwd	-£20,000

	£79,385

COMMUNITY FOCUSED REVENUE FUNDING & INCOME £99,500

I17 Community Focused School Facilities Income £99,500

Ark fees are currently £6.50 per child for the morning session (7.45 to 8.45am) and £12.50 per child for the afternoon session (3.15 to 5.30pm) as from September 2022, with a 10% reduction for each additional sibling.

I have assumed a small increase in fees from September 2023 of £7.00 per child for the morning session and £13.00 per child for the afternoon session which is well below the current rate of inflation. Despite my proposition I would welcome the Governors to consider a larger increase to reflect the rate of inflation at the time. I have assumed the current numbers using the facility will continue.

COMMUNITY FOCUSED REVENUE EXPENDITURE £74,450

STAFFING

E31 Community Focused School Staff: £66,496

Ark staff are employed under Surrey Pay and therefore the assumptions are the same as for support staff in the pupil focused revenue budget.

Details of the Surrey pay award for 2023/24 are currently unknown. It was advised that schools should use the percentage increases outlined in Surrey's "offer" for budget planning purposes – see table below:

Grade	Increase
PS1/2	7.8%
PS3	7.5%
PS4	6.5%
PS5	5.5%
PS6	5%
PS7-12 inclusive	4.75%
PS13 and above	4.5%

The offer also deletes the minimum point in grades PS3 – PS14 to create a gap between grades to make promotion opportunities more attractive, and increases apprentices' pay from 80% of PS1/2 to the full amount of that grade. Therefore, any staff currently on point 1 of a grade, who would have moved up to point 2 of that grade in April 2023, will automatically move up to point 3 of that grade.

Incremental pay progression is included, from April 2023, for all three years where appropriate.

The April 2022 increase of 1.25% to the rate of employer national insurance contributions, originally implemented to fund the Health and Social Care Levy, no longer applies.

Surrey Pay employer superannuation is currently 25.2%. The triennial review of the employer's pension rate for Surrey schools is now complete and the new contribution rate of 23% will be effective from 1st April 2023.

The budget allows for existing staff and the addition of two afternoon only Play Workers.

Operational Staff (£60,381)

- Sophie Russell (Play Leader) – every morning and afternoon.
- Sue Vaughey (Play Worker) – 3 mornings and 2 afternoons per week
- Katharine Murray (Play Worker) – 2 afternoons per week
- Helen Lindsay (Play Worker) – 5 mornings per week.
- Viktoriia Bityk (Play Worker) – every morning and afternoon.
- Sam Harding (Play Worker) – 3 mornings and 2 afternoons per week
- NEW (Play Worker) – 5 afternoons per week.
- NEW (Play Worker) – 5 afternoons per week.

Support Staff (£6,115)

- Daniel Walker-Cheetham (School Business Manager) – 4 hours per week
- Serena Fowler (School Office support) – 1 hour per week

E32 Community Focused other staff costs **£254**

For training and recruitment costs including L2 Food Safety & Hygiene training and DBS checks for Ark staff.

<u>**PREMISES**</u>

E32 Premises **£3,200**

A charge made by the school revenue budget for premises charges, currently at £4.40 per morning and £6.60 per afternoon when the Ark is in session to cover premises costs such as share of cleaning, utilities etc. I have allowed for an increase to £5.00 and £7.00 from 1st April 2023. (See Pupil Focused E18 Other Premises above).

<u>**SUPPLIES & SERVICES**</u>

E32 Supplies and Services **£4,500**

For the purchase of food (£4,000) and resources for learning/play (£500).

TOTAL ESTIMATED BALANCE AT YEAR END	**£104,435**
ESTIMATED IN-YEAR SURPLUS	**£ 25,050**

FORECAST 2024-25 FINANCIAL YEAR

I used the Verification and Forecasting Tool to calculate the funding for 2024/25 based on expected pupil numbers.

The forecast also allows for the estimated revenue balance of £72,707 at the end of the financial year 2023/24 to be included as an uncommitted pupil focused revenue balance brought forward in 2024/25. The brought forward balance is also further supported by a proposed transfer of £50,000 from the Ark, subject to SCC approval.

I have assumed that other income and expenditure remains the same and continued to use the inflation percentages provided by SCC.

I have assumed the continuing staffing structure as discussed in 2023/24. This includes increases to teachers pay with teachers moving up their relevant pay scale and pay point increases for support staff who are not at the top of their relevant pay grade.

Non staffing expenditure has been kept to a minimum.

This produces a significant estimated In Year deficit of £58,242 and a balance to carry forward into 2025/26 of £64,465.

TOTAL ESTIMATED REVENUE BALANCE AT YEAR END	**£64,465**
ESTIMATED IN-YEAR DEFICIT	**£58,242**

Ark has an estimated in-year surplus of £29,959 with a balance to carry forward into 2025/26 of £84,394.

TOTAL ESTIMATED REVENUE BALANCE AT YEAR END	**£84,394**
ESTIMATED IN-YEAR SURPLIS	**£29,959**

FORECAST 2025-26 FINANCIAL YEAR

I used the Verification and Forecasting Tool to calculate the funding for 2024/25 based on expected pupil numbers.

The forecast also allows for the estimated revenue balance of £64,465 at the end of the financial year 2024/25 to be included as an uncommitted pupil focused revenue balance brought forward in 2025/26. The brought forward balance is also further supported by a proposed transfer of £50,000 from the Ark, subject to SCC approval.

I have assumed that other income and expenditure remains the same and continued to use the inflation percentages provided by SCC.

I have assumed the continuing staffing structure as discussed in 2023/24. This includes increases to teachers pay with teachers moving up their relevant pay scale and pay point increases for support staff who are not at the top of their relevant pay grade.

Non staffing expenditure has been kept to a minimum.

This produces a significant estimated In Year deficit of £73,747 and a balance to carry forward into 2026/27 of £40,718.

TOTAL ESTIMATED REVENUE BALANCE AT YEAR END	**£40,718**
ESTIMATED IN-YEAR DEFICIT	**£73,747**

Ark has an estimated in-year surplus of £34,431 with a balance to carry forward into 2026/27 of £68,825.

TOTAL ESTIMATED REVENUE BALANCE AT YEAR END	**£68,825**
ESTIMATED IN-YEAR SURPLUS	**£34,431**
